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Input

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**City and Social Entrepreneurship: Cultural and Citizenship Education in
the Environment of Economy**

by Lise Bisballe

Center for Social Entrepreneurship, Roskilde University (Denmark)

Why are we talking about social entrepreneurship?

Cities are challenged by global competition, by demographic changes and by citizens representing a rich diversity of cultural backgrounds and histories. We live in a time characterised by individualised lifestyles and preferences; we are culturally influenced by new technology, increased mobility, languages, arts and consumer goods. And cities are characterised by poor multicultural areas with high unemployment, crime rates and by racial tensions. The question is how cities can respond to these challenges as globalisation changes the conditions for production under which innovation becomes the basis of productivity. It requires a critical mass of creativity, talent, knowledge and the ability and skills to network and cooperate both locally and globally in order to create the power of innovation, which is key to fostering workplaces and social cohesion in the future.

There are a lot of concerns in our time about how to respond to fragmentation and individualisation. And values such as social responsibility, solidarity and social cohesion will become just as important factors as the levels of wages and taxes for attracting a talented workforce. And whilst the most obvious location for intercultural exchange and innovation is in the high tech industry and academia appealing to highly skilled and well-connected people, the field of social entrepreneurship also provides many opportunities for economic, social and cultural innovation.

Social entrepreneurship and social enterprises are attracting increasing attention as powerful organisational settings promoting a new model of sustainable development addressing local and global challenges. Throughout Europe, an increasing number of social enterprises have emerged during the last 15 years as a result of national and European policies and as a response to government and market failures. It is a common argument among researchers that organisations within the social economy are fundamental tools for the local community when difficult and complex economic and social problems have to be handled. As economic players, these organisations and enterprises are creators of growth, welfare and employment.

But is social entrepreneurship just a smart and trendy thing - a recipe we must apply because it sounds “good” and there is a kind of hype around the term. Or is it old wine in new bottles? Haven’t there always been people who have tried to change the world for the better and have contributed to innovate the social conditions for people with needs. Or is it a neo-liberalistic project and a “... silent surrender of the welfare state” (Nigel Gilbert, 2002) where rights have been transferred into duties and where the civil society is expected to take part in delivering welfare services? Or is it just a pragmatic way to respond to a complex reality, as we really don’t know what to do?

The Italian statesman Romano Prodi once stated that social entrepreneurs are establishing “schools of democracy (Lars Hulgård, 2007). I am convinced that social entrepreneurs have something to offer to urban development and citizens’ educations for many reasons.

What is social entrepreneurship?

A social entrepreneurial initiative is mostly the result of the energy of a single individual or a group of people. Somebody launches an idea or vision, a response to a need and this communication triggers something. It creates energy, relations and connectedness between people within the community. Such an atmosphere will often have an evocative effect. Other people get excited and involved and provide resources - working hours, services, goods - to both an exciting project and to people with enthusiasm.

A social entrepreneur works in an entrepreneurial way. They are what could be called fiery souls, and they are people who will give their life’s blood to the project because it makes sense, it is for the benefit of the local community and because it contributes to creating social, cultural or environmental sustainability. One typical motive is that things can be done better and often initiatives are implemented against all odds. The initiatives pop up, function, develop and then disappear when the objectives are reached or the resources have come to an end. Maybe the social entrepreneur re-enters the stage in a new organisational or geographical context. Other initiatives are institutionalised over time and are scaled and adopted by the private or public sector or established as social enterprises.

One definition of social entrepreneurship is created by Professor Lars Hulgård from the Centre for Social Entrepreneurship at Roskilde University in Denmark. First and foremost social entrepreneurship is creating **social value**, for example integration and empowerment of marginalised groups, enhancing institutional capacity, creating social capital, fighting poverty or working in the community. It involves **the civil society** - voluntary organisations and NGOs and very often in partnership with either the public and/or the private sector. This is done by the means of **innovation**, which is finding new approaches to social problems and challenges and which often has an **economic impact** for the participants in the activities and for society at large.

The European EMES network of researchers has developed a definition of Social Enterprises that connects a European understanding of social entrepreneurship to a new kind of social enterprise. According to EMES (Jacques Defourny: 2001) a social enterprise displays the following characteristics:

- A continuous activity producing goods and/ or selling services
- A high degree of autonomy
- A significant level of economic risk
- A minimum amount of paid work
- An explicit aim to benefit the community
- An initiative launched by a group of citizens
- A decision-making governance structure, which is not based on capital ownership
- A participatory nature, which involves the persons affected by the activity

- Limited profit distribution, which means that profit is reinvested in the enterprise or in the community

So “Social enterprises can be said to be located in an intermediate space at the crossroads of market, public policies and civil society” as formulated by the EMES researcher Marthe Nyssens.

Examples of social entrepreneurship

Kulturkælder

The social enterprise “Kulturkælder” in Randers, Denmark, started as an experiment in 1987 and established itself as independent institution in 1988. Randers is a typical industrial town, known for its train factory, agricultural machinery, gloves, salmon and... crime. As in many other towns and cities big co-operative housing estates were built in the outskirts of the town in the late sixties. At that time there was a vision that working families should have access to big and healthy apartments, fresh air and parking places for everything was going well. But the 1970s oil crisis and the economic recession that followed created a completely different situation in the housing areas than the planners had envisaged. They became characterised by high unemployment, overrepresentation of single parents, crime, drugs and many empty apartments. Tenants were constantly transiting the areas and there were difficulties in renting the apartments out. The “Jennumparken” estate developed such a bad reputation that an address here meant no credit anywhere. It became socially unacceptable to live in “Jennumparken”.

It was also here that the Turkish workers, who came to the town in the late sixties moved. They were primarily employed in the iron industry and many of them had brought their families to the town as the dream of returning to their home country was abandoned. When the massive influx of refugees in mid eighties started, they were also directed to the empty apartments in “Jennumparken” and within a short period of time this created a completely new situation in the area.

The challenge of cultural, social and economic integration was what “Kulturkælder” was set up to respond to. Questions like how to define and understand integration or how many immigrants and refugees a housing area could host were in play. There was a fundamental lack of knowledge about the different cultures that the refugees and immigrants represented, and there were linguistic and cultural barriers, which hindered the involvement of the new residents in the activities of the area. The fact that not all refugee groups shared equal popularity, harassment of children with immigrant background and the emergence of radical groups of white youngsters, contributed to the environment in which “Kulturkælder” started to work.

One of the prerequisites for a successful integration is the possibility for establishing networks that has been lost due to flight or migration. Therefore the aim was to support the re-establishment the refugee’s network and via personal contacts and cross cultural social activities to expand knowledge of their individual cultures. The experience was that many of the contacts came to an end after a few meetings and that the relationships only became sustainable and expanded if people had something in common.

The objectives for “Kulturkælder” were to visualise cultural resources and to create a positive dialogue between Danes and immigrants and refugees. Furthermore to create access to the labour market for the unemployed by offering training programs, job training schemes and platforms for alternative employment. One of the first activities in the social enterprise was to establish an open textile workshop. The idea was to redefine the village well - a place where you meet for a certain purpose - and where you exchange news, gossip and build social relations and network.

The activity appealed to a lot of the women in “Jennumparken”, as the theme was well known and, more importantly, identifiable across cultures. In the beginning the workshop was a women only environment, which created a safe room for the women and therefore acceptance from their husbands. By doing something together of mutual interest the women developed their language skills, their curiosity was stimulated and their insight into the Danish society grew. Furthermore friendships were established across cultures.

From this workshop a great number of projects and courses were developed over the years. They range from overall urban development projects to basic language training combined with practical artistic activity, pre vocational training and training of entrepreneurs to activities for children and elderly people. The intercultural aspect has always had a high priority, and the projects were designed in such a way that cultures were communicated and resources exposed.

One of the internationally well-known projects within “Kulturkældereren” is “This is my Story”. The project wanted to respond to an extremely high unemployment amongst ethnic minority women and to uncover hidden personal resources, which were not visible and acknowledged neither by the individual woman herself nor by the community in general. The project aimed to challenge stereotypes and to bring different perspectives into the debate about integration, interculturalism, employment and urban regeneration. The media was to train unemployed and isolated women to create tapestries illustrating part of their cultural heritage and at the same time to instill language, social, intercultural and entrepreneurial skills and competencies. Through a high quality exhibition, the project aimed at cooperating with mainstream cultural institutions in order to reach a wider audience. Finally, the project aimed to develop alternative platforms for employment of women, whose chances for employment in the ordinary job market were very poor.

In the project the women were taught the use a loom and the different drawing, composition and weaving techniques needed to produce a tapestry. The tapestries formed a rich and varied exhibition, which have been exhibited at museums and galleries in other cities in Denmark and Europe. Pieces have been sold and the income from the objects on sale and the takings from the exhibitions have been used to co-finance the predominantly European funded project. Many women have been trained over the years, and the project has paved the way to employment or further training and education.

Underværket

“Underværket” means “The Wonder” - no more, and no less. The idea of establishing “Underværket” was generated at the grass-roots level when, in 1992, the Municipality of Randers asked people living in the “Tøjhushaven” area of Randers to forward ideas in order to develop the area, emphasising especially the interaction between housing and economic activity. At the same time, the “Kulturkældereren” NGO, launched the “Greenhouse” project, which provided the opportunity to develop an idea about the establishment of a intercultural platform in the centre of Randers where some of the creative and artistic projects and products developed within the organisation could be commercialised further in order to create new jobs and enterprises. An important factor for the design of the project was the changes experienced in the local economy. Traditional industries were declining, the unemployment rate was very high and there was a need for a reorientation towards more service-oriented economic activities. “Underværket” would respond to the change via exploration and preparation of new areas of employment especially within creative industries, the 3rd sector and new technologies, and at the same time ensure that the most vulnerable and marginalised groups were provided the opportunity to benefit from the economic outcomes of such a strategy.

So the vision was to combine the 700-year history of Randers as a “trading town” with its entrepreneurial and cultural future potential. The objectives were to reinvent and redefine the traditional marketplace for the exchange of goods and everyday needs and to provide a space for the exchange of information whilst creating room for informal meetings and networking. Different working groups were established with responsibility for developing different parts of the project. Political support came from the Municipality, which was willing to provide a piece of land, but the financing of the construction costs had to be covered from other sources. At the beginning of 1996, a new opportunity arose as the European Commission launched the Urban Pilot Project “phase 2 scheme”. A formalised partnership and consortium between “Kulturkælderens” and Randers Municipality was created in order to apply for European and national funding. In July 1997, the “Underværket” project was selected and received the necessary funding to realise the idea.

The “Underværket” complex opened in 2000 and comprises one refurbished and two new buildings, which have been integrated and thereby shaping a covered street and square inside the complex. There is a café, theatre group and performance spaces, indoor architects, photographer, furniture designers, textile print workshop, bookshop, music studios and the largest Elvis Presley museum outside Graceland. There is also a halal-butcher, a bakery and a greengrocer, a hairdresser and different options for alternative health treatments. The Dynamo, also situated in “Underværket”, is a centre or training of entrepreneurs, supporting the creation new enterprises mainly created by unemployed. And in wintertime “Underværket” manages an ice-skating rink in part of the parking place. The “Underværket” project became a locomotive for a much bigger urban regeneration scheme, which took root in the “Tøjhushaven” area in the period 1998 – 2003 and was funded by the Danish Government.

City and social entrepreneurship

The examples show that the social entrepreneurs have helped to identify resources and build capacity for innovation and development and have managed to do more for less as they identify social, economic and cultural resources and put these into play in new ways. They identify and establish policy network and build bridges between sectors, create social capital and coherence and build identities of places. And they create wealth by attracting investment and they deliver products and services that are more than just a “product”.

But the success also depends on the level of courage, drive and leadership of the social entrepreneur. Belief in the viability of the enterprise and the integrity of the leadership is important for attracting any player. But courage, drive and leadership apply not only to the social entrepreneur, but also the politicians, who define the frameworks and the civil servants who fill these. Risk taking is the key to innovation. Apart from the persistence of the social entrepreneur, continuity according to human and economic resources is vital. And time – that is, time enough! Many excellent projects have suffered due to unrealistic time horizons in programmes and call for tenders. Social entrepreneurs do not enter the stage and deliver a quick fix. It took eight years from the idea of “Underværket” was created until it was realised. In such a process the creation of a shared vision and the political and economical support was paramount.

There is a dilemma here: Too much economic support can develop stagnation within the enterprise and kill the creativity and one should not underestimate the power of energy and creativity that can be tapped when doing something “in spite” and “against all odds”. There are many good and innovative ideas out there. But sometimes the process stops due to a lack of financial resources for the development or for a vital investment linked to the implementation of the project. So a local flexible structure for the support of social entrepreneurs and a fund of risk capital can make a difference.

There are many arguments for a broader acknowledgement of social entrepreneurs and for integrating these in approaches and strategies for the development of future cities. Social entrepreneurship can build bridges between the social needs of the civil society and the public and private sectors capacity to respond to those needs. They improve access to opportunities, contribute to combat poverty and injustice, strengthen the economy, promote participation in democratic processes and generate social capital.

Whilst there are many resources that can be activated in civil society, there are also limits to what can be solved by this sector alone. The public and private sectors will have a big role to play in the future, but social entrepreneurs can be important players within areas where neither the public nor the private sector is able to reach or have the competencies to address.

And if social entrepreneurship and social enterprise activity was creatively integrated into city development strategies, a number of policy objectives would be addressed at the same time:

- Activation of citizens
- Job and enterprise creation
- New products and services
- Integration
- Intercultural competence
- Accumulation of social capital
- Nurturing democratic processes
- Creation of wealth: reinvestment and generation of investments
- Improved image of the local area

My wish has been to present arguments for the potential of social entrepreneurship as a space for innovation, cultural exchange and citizens education, which can take place at different levels and in different constellations, but initiated and supported by the creative, open and informal social enterprise. Another wish has been to present arguments for integrating the work of the social entrepreneurs in future strategies for the city. And to do so, it first and foremost requires an acknowledgment of the contribution of the social entrepreneurs.